

Amendment No. 74 to HB0534

**Towns
Signature of Sponsor**

AMEND Senate Bill No. 1221

House Bill No. 534*

by adding the following language as a new section immediately preceding the effective date section and renumbering the subsequent section accordingly:

SECTION __. Tennessee Code Annotated, Section 67-4-2109, is amended by adding the following language as a new subsection:

(r)

(1) As used in this subsection (r):

(A) "Business plan" means a job creation plan submitted by a qualified business to the commissioner;

(B) "Summer youth employment job tax credit" means the credit provided to a qualified business;

(C) "Summer youth job" means a temporary employment position providing employment for at two (2) consecutive months, to a person for at least thirty-seven and one-half (37.5) hours per week;

(D) "Qualified business" means a new or existing business located in this state; and

(E) "Qualifying job" means a job with wages at least sixty-five percent (65%) of the average occupational wage for the labor workforce development area in which the job is created for the month of January of the year during which the job is created.

(2) For tax years beginning January 1, 2018, and thereafter, in addition to any other credits allowed in this section, there shall be allowed to any qualified business a

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summer youth employment job tax credit equal to five hundred dollars (\$500) for each qualifying job created.

(3) The qualified business shall file a business plan with the commissioner in order to qualify for the credit provided by this subsection (r). The business plan shall be filed in a manner prescribed by the commissioner and shall describe the type of business, the number of summer youth jobs to be created, the expected dates the jobs will be filled, and the effective date of the plan.

(4) In order to qualify for the credit, the qualified business shall create at least ten (10) qualifying jobs. The credit provided in subdivision (r)(2) shall first apply in the tax year in which the qualified business first satisfies the job creation requirements and in subsequent tax years in which at least ten (10) qualifying jobs are maintained.

(5) The credit shall apply against the franchise tax imposed by this part and the excise tax imposed by the Excise Tax Law of 1999, compiled in part 20 of this chapter; provided, however, that the credit, together with any carry-forward thereof, taken on any franchise and excise tax return shall not exceed fifty percent (50%) of the combined franchise and excise tax liability shown on the return before any credit is taken. Any unused credit may be carried forward in any tax period until the credit is taken; provided, however, that the credit may not be carried forward for more than fifteen (15) years.

(6) The commissioner has the authority to conduct audits or require the filing of additional information necessary to substantiate or adjust the amount of credit allowed by this subsection (r), and to determine that the taxpayer has complied with all statutory requirements so as to be entitled to the community resurgence job tax credit. If it is determined that the taxpayer failed to comply, the taxpayer shall be subject to an

assessment equal to the amount of any credit taken under this subsection (r) for which the taxpayer failed to qualify, plus interest.

(7) The aggregate amount of the credits allowed to all taxpayers under this subsection (r) shall not exceed five million dollars (\$5,000,000) in any one (1) tax year.